



Weekly Economic Highlights

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Week Ending
31st July 2015

1. INTEREST RATES

Deposit Rates

Average deposit rates for savings accounts were unchanged at 3.00% during the week ending 31st July 2015. Deposit rates for 1 month and 3 month tenors retreated to 8.19% and 9.28%, respectively.

Table 1: Average Deposit Rates

2015	Savings Deposits (%)	1-Month Deposits (%)	3-Months Deposits (%)
03-July	3.43	8.31	10.01
10-July	3.43	8.31	10.01
17-July	3.00	8.28	9.46
24-July	3.00	8.22	9.40
31-July	3.00	8.19	9.28

Source: Banking Institutions, 2015

Lending Rates

Commercial banks' weighted lending rates for individual and corporate clients stood at 11.86% and 8.56%, respectively.

Table 2: Lending Rates

2015	Lending Rates (%)	
	Commercial Banks (weighted)	
	Individuals	Corporate clients
03-July	11.95	8.66
10-July	11.93	8.69
17-July	11.58	8.82
24-July	11.92	8.56
31-July	11.86	8.56

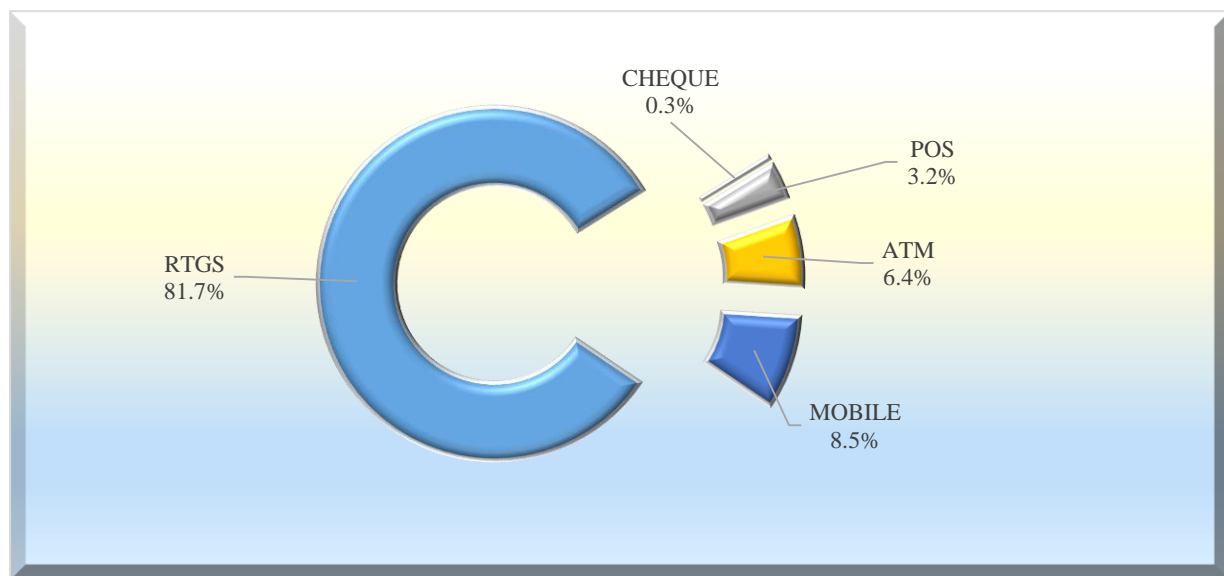
Source: Banking Institutions, 2015

2. CLEARING AND SETTLEMENT ACTIVITY

The value of transactions processed through the National Payment Systems (NPS) increased to US\$1 144.56 million, from US\$1 081.01 million in the previous week. The increase was partially attributed to a rise in the value of transactions processed through the Real Time Gross Settlement (RTGS) system, which increased from US\$910.79 million in the previous week to US\$934.86 million during the week under review.

The distribution of the payments, in value terms, was as follows: RTGS payments accounted for, 81.68%; Mobile, 8.45%; ATMs, 6.40%; POS, 3.21% and cheque, 0.26%.

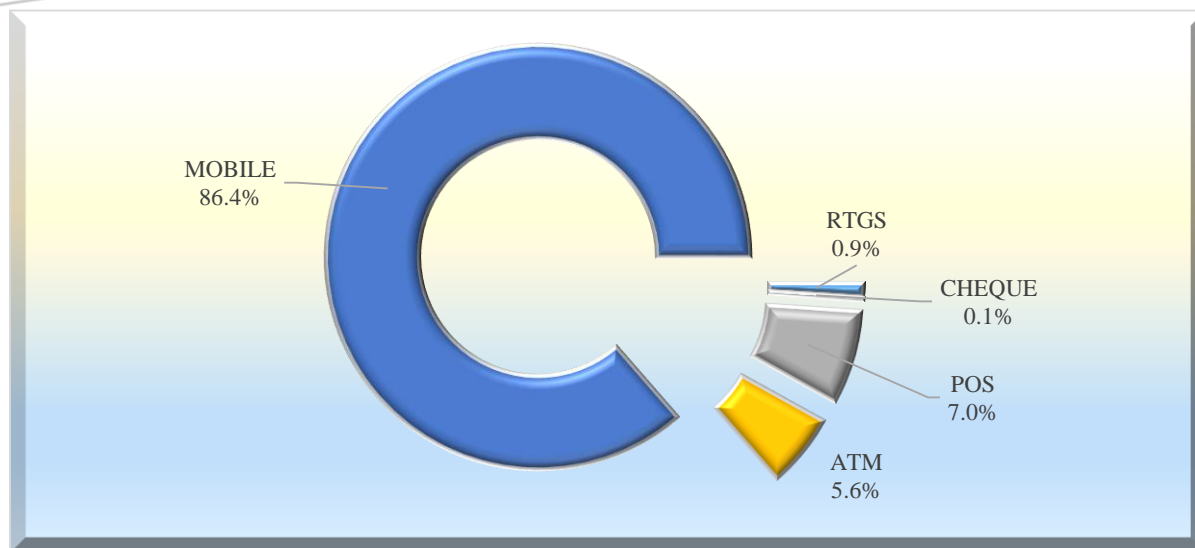
Figure 1: Proportions of NPS Transactions in Value Terms



Source: Reserve Bank of Zimbabwe

In terms of volume, Mobile-based transactions accounted for 86.41% of total NPS transactions, followed by POS, 6.99%; ATM's, 5.55%; RTGS, 0.91%; and cheque transactions, 0.14%.

Figure 2: Proportions of NPS Transactions in Volume Terms



Source: Reserve Bank of Zimbabwe.

Table 3: National Payment Systems Activity

PAYMENT STREAM	WEEK ENDING 24 July 2015	WEEK ENDING 31 July 2015	CHANGE FROM LAST WEEK	PROPORTION
VALUES IN USD (millions)				
RTGS	910.79	934.86	3%	81.68%
CHEQUE	2.57	3.00	17%	0.26%
POS	34.69	36.75	6%	3.21%
ATMS	61.02	73.24	20%	6.40%
MOBILE	71.93	96.70	34%	8.45%
TOTAL	1,081.01	1,144.56		100%
RTGS	42,569	45,423	7%	0.91%
CHEQUE	7,660	6,904	-10%	0.14%
POS	306,890	348,025	13%	6.99%
ATMs	246,695	276,449	12%	5.55%
MOBILE	3,802,985	4,304,047	13%	86.41%
TOTAL	4,406,799	4,980,849		100%

Source: Reserve Bank of Zimbabwe

3. TOBACCO SALES

As at 31st July 2015 (day 104 of the 2015 tobacco selling season), a cumulative total of 194 899 658 kilograms of tobacco had been sold. This represented a 7.92% decline from 211 659 227 kilograms sold during the same period in 2014. The average selling price for the golden leaf stood at US\$2.95 per kg - 7.11% lower than the average price of US\$3.17 per kg during the same period in 2014.

Cumulative tobacco sales were lower at US\$574.39 million, compared to US\$671.50 million realised during the corresponding period in 2014.

Table 4: Cumulative Tobacco Sales: Day 104 (31/07/15)

	2014	2015	Variance (%)
Cumulative Quantity Sold (kgs)	211,659,227	194,899,658	-7.92%
Cumulative Average Price(US\$/kg)	3.17	2.95	-7.11%
Cumulative Value (US\$)	671,503,302	574,389,186	-14%

Source: Tobacco Industry and Marketing Board (TIMB), 2015

4. INTERNATIONAL COMMODITY PRICE DEVELOPMENTS

International commodity prices for gold, copper, nickel and crude oil declined during the week ending 31st July 2015. Platinum prices, however, firmed during the week. Table 5 below shows commodity price developments during the week under review.

Table 5: Metals and Crude Oil Prices

Period	Gold	Platinum	Copper	Nickel	Crude Oil
2015	US\$/ounce	US\$/ounce	US\$/tonne	US\$/tonne	US\$/barrel
Weekly Average (24 July)	1,093.72	974.10	5,352.00	11,431.00	56.21
27-Jul	1,099.25	980.50	5,189.00	10,920.00	53.44
28-Jul	1,095.90	980.00	5,238.50	11,180.00	52.62
29-Jul	1,093.50	985.00	5,301.00	11,110.00	52.96
30-Jul	1,086.58	989.50	5,301.00	10,915.00	53.60
31-Jul	1,089.23	978.50	5,218.00	10,900.00	53.06
Weekly Average (31 July)	1,092.89	982.70	5,249.50	11,005.00	53.14
Weekly Change (%)	(0.1)	0.9	(1.9)	(3.7)	(5.5)

Source: BBC, KITCO, Reuters and Bloomberg

Gold

During the week under analysis gold prices declined by 0.1% from an average of US\$1 093.72/oz recorded in the previous week, to close the week at US\$1 092.89/oz. The sustained decline in gold price was largely driven by expectations that the US Federal Reserve would soon raise interest rates as the country's economy continued to strengthen.

Platinum

Platinum prices firmed marginally by 0.9% to US\$982.70/oz during the week under analysis, from US\$974.10/oz in the previous week. Prices were supported by concerns of supply disruptions as South African mines are planning to dispose high cost mines.

Copper

Copper prices stood at US\$5 247.50/tonne during the week under review, down from US\$5 352.00/tonne. Copper prices continued to decline amid a slowdown in China's economic outlook, the world's largest consumer of copper.

Nickel

Nickel prices slumped by 3.7% during the week under analysis to close at a weekly average of US\$11 005.00/tonne. The decline in the price of nickel was largely attributable to depressed demand from China.

Crude Oil

Crude oil prices retreated by 5.5%, from US\$56.21/barrel in the previous week, to US\$53.14/barrel during the week under analysis. The global supply glut coupled with a stronger US dollar weighed down on the prices of crude oil.

5. EQUITY MARKETS

The Zimbabwe Stock Exchange (ZSE) was characterized by bearish sentiments during the week ending 31st July 2015. Resultantly, the industrial index declined by 0.38% from 145.90 points in the previous week, to 145.35 points. The industrial index registered a 3.86% decrease to close the week under review at 39.36 points.

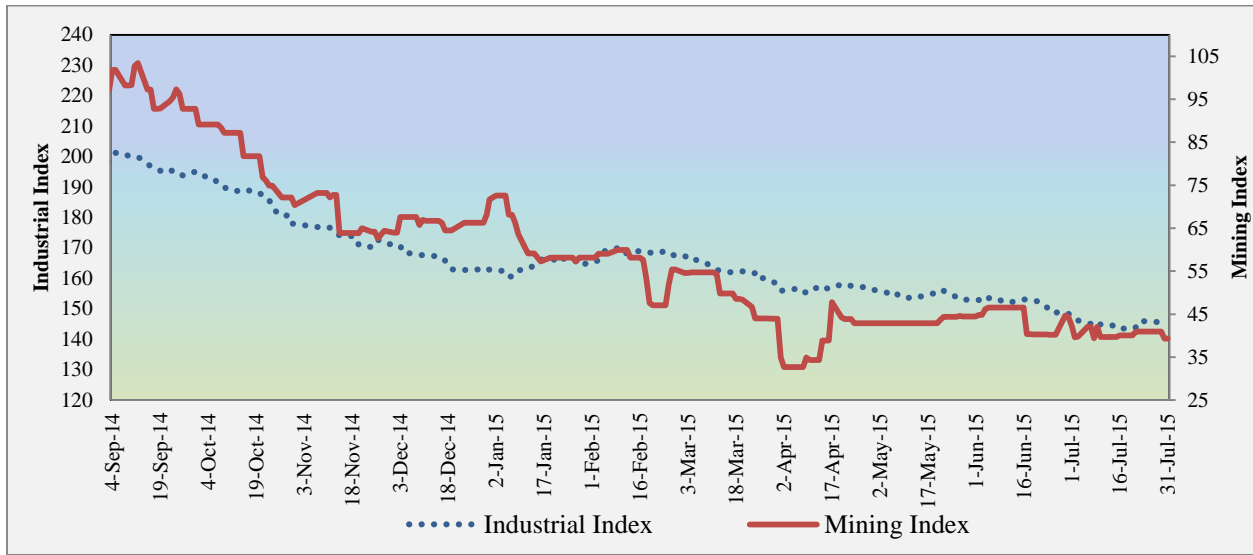
The industrial index was driven into the negative territory due to losses in share prices realized in Star Africa (18.70%), TSL (10%), First Mutual (8.33%), Lafarge (7.89%), Econet (5.85%), Barclays (2.33%), Meikles (0.99%), Delta (0.50%) and CBZ (0.30%). The mining index declined on the back of a 6.25% loss in Bindura.

Table 6: Zimbabwe Stock Exchange (ZSE) Statistics

Period	Industrial Index (points)	Mining Index (points)	Grand Market Capitalization (US\$)	Market Turnover (US\$)	Volume of Shares
03-July-15	146.20	39.76	3,802,325,041	4,129,654	61,921,904
10-July-15	144.86	39.72	3,787,624,893	3,870,668	14,160,800
17-July-15	143.49	40.09	3,765,437,915	5,081,668	41,985,980
24-July-15	145.90	40.94	3,829,331,098	3,474,177	18,749,070
31-July-15	145.35	39.36	3,812,648,666	4,395,587	26,625,959

Source: Zimbabwe Stock Exchange (ZSE), 2015

Figure 3 : Zimbabwe Stock Exchange Indices

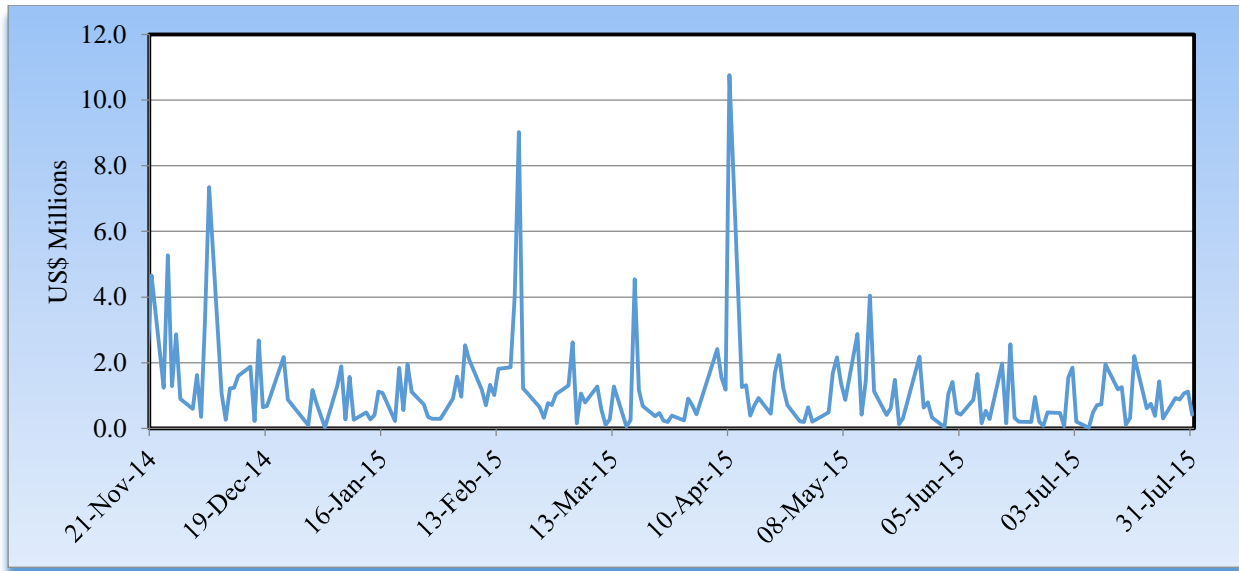


Source: Zimbabwe Stock Exchange, 2015

Market Turnover and Volume

Market turnover stood at US\$4.40 million during the week under review, from US\$3.47 million in the previous week. Volume of shares traded increased from 18 749 070 shares, to 26 625 959 shares. The increase in the volume of shares traded was attributed to a special bargain, which saw 14 126 645 Nicoz Diamond shares exchanging hands at 1.6 cents.

Figure 4: Daily Market Turnover

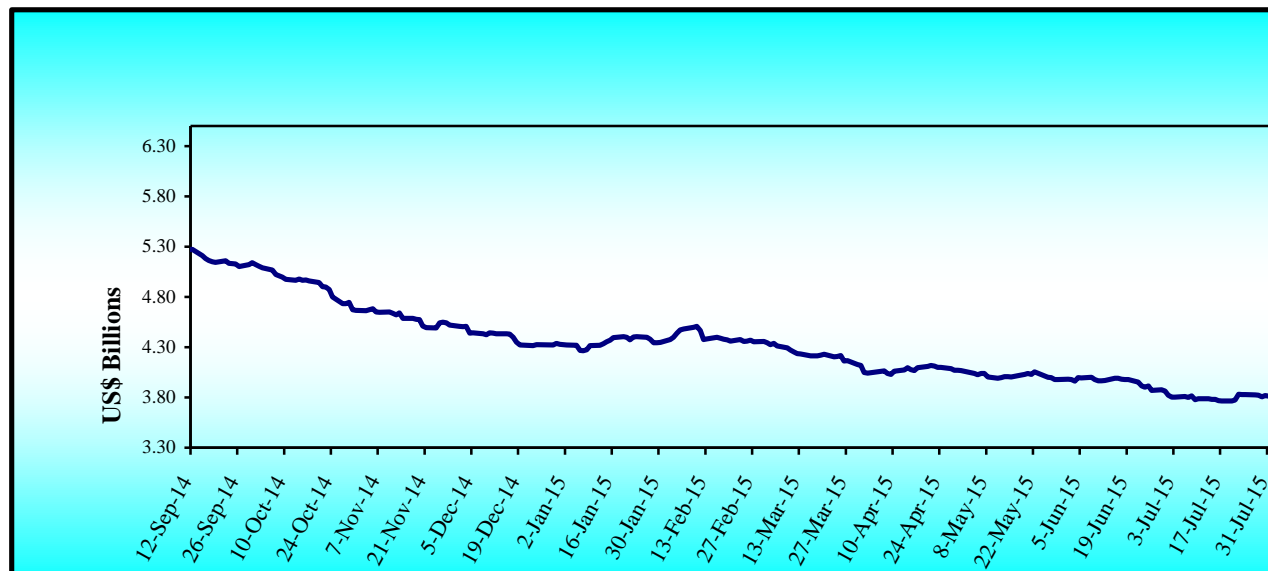


Source: Zimbabwe Stock Exchange, 2015

Market Capitalisation

In line with the declines in the industrial index and the mining index, market capitalisation decreased by 0.44%, from US\$3.83 billion in the previous week, to US\$3.81 billion during the week under analysis.

Figure 5 : Market Capitalization



Source: Zimbabwe Stock Exchange, 2015

Johannesburg Stock Exchange (JSE) Developments

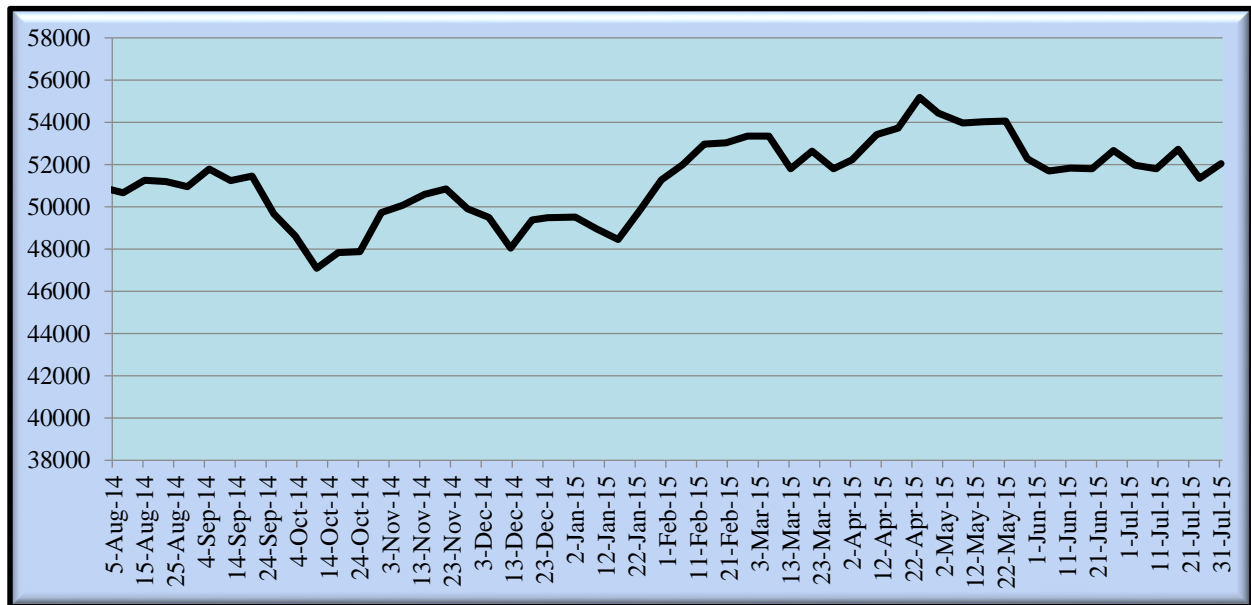
The JSE All Share index rose by 1.36% from the previous week’s 51 356.08 points, to close the week under review at 52 053.27 points. Market capitalization stood at R12.03 trillion, up from R11.81 trillion in the previous week.

Table 7: Johannesburg Stock Exchange (JSE) Statistics

Period- 2015	All Share Index (points)	Market Capitalization (R trillion)
03-July	51,967.08	11,96
10-July	51,800.70	11,97
17-July	52,723.72	12,15
24-July	51,356.08	11,81
31-July	52,053.27	12,03

Source: <https://www.jse.co.za/services/market-data/market-statistics>

Figure 6: Johannesburg Stock Exchange (JSE) All Share Index



Source: <https://www.jse.co.za/services/market-data/market-statistics>

RESERVE BANK OF ZIMBABWE

12TH AUGUST 2015